

EC2013-149

ENERGY CORPORATION ACT
 PRINCE EDWARD ISLAND ENERGY CORPORATION
 BOARD OF DIRECTORS
 APPOINTMENTS

Pursuant to sections 2 and 3 of the *Energy Corporation Act* R.S.P.E.I. 1988, Cap. E-7, Council made the following appointments:

NAME	TERM OF APPOINTMENT
Deputy Minister of Finance, Energy and Municipal Affairs	12 March 2013 to 12 March 2016
Deputy Minister of Transportation and Infrastructure Renewal	12 March 2013 to 12 March 2016
W. Alexander (Sandy) Stewart, Secretary, Economic Trade and Population Secretariat	12 March 2013 to 12 March 2016
Rochelle Gallant Director of Intergovernmental Affairs	12 March 2013 to 12 March 2016
Chief Executive Officer Prince Edward Island Energy Corporation	12 March 2013 to 12 March 2016

Further, Council designated the Deputy Minister of Finance, Energy and Municipal Affairs as Chairperson of the Board pursuant to subsection 3(3) of the Act and noted that the Chief Executive Officer of the Corporation serves as secretary of the Board in accordance with subsection 5(2) of the said Act.

Orders-in-Council EC1998-699, EC2001-251, and EC2003-538 are hereby rescinded.

EC2013-150

ENERGY CORPORATION ACT
PRINCE EDWARD ISLAND ENERGY CORPORATION
AUTHORITY TO BORROW

Pursuant to subsection 8(2) of the *Energy Corporation Act* R.S.P.E.I. 1988, Cap. E-7, Council authorized the Prince Edward Island Energy Corporation to borrow up to seventy million dollars (\$70 million) from the Toronto Dominion Bank for expenses related to the refurbishment of the Point LePreau Nuclear Generating Station, on terms and conditions favourable to the Minister of Finance, Energy and Municipal Affairs.

EC2013-151

EXECUTIVE COUNCIL ACT
MINISTER OF ENVIRONMENT, LABOUR AND JUSTICE
AND ATTORNEY GENERAL
AUTHORITY TO ENTER INTO AGREEMENTS
(AMENDMENTS TO BIOLOGY CASEWORK ANALYSIS AGREEMENT)
WITH
THE GOVERNMENT OF CANADA

Pursuant to clause 10(a) of the *Executive Council Act* R.S.P.E.I. 1988, Cap. E-12 Council authorized the Minister of Environment, Labour and Justice and Attorney General to enter into agreements with the Government of Canada, as represented by the Minister of Public Safety and Emergency Preparedness, to extend the term of the biology casework analysis agreement to March 31, 2013 and to March 31, 2014, respectively, such as more particularly described in the draft agreements.

EC2013-152

EXECUTIVE COUNCIL ACT
MINISTER OF INNOVATION AND ADVANCED LEARNING
AUTHORITY TO ENTER INTO A MEMORANDUM OF UNDERSTANDING
(CANADA-PRINCE EDWARD ISLAND
MEMORANDUM OF UNDERSTANDING
RE FORUM OF LABOUR MARKET MINISTERS SECRETARIAT)
WITH
THE GOVERNMENT OF CANADA

Pursuant to clause 10(a) of the *Executive Council Act* R.S.P.E.I. 1988, Cap. E-12 Council authorized the Minister of Innovation and Advanced Learning to enter into a Memorandum of Understanding with the Government of Canada, as represented by Human Resources and Skills Development Canada, articulating Prince Edward Island's roles and responsibilities as the lead province, provincial co-chair and operator of the Forum of Labour Market Ministers Secretariat from April 1, 2013 to March 31, 2015, such as more particularly described in the draft memorandum of understanding.

EC2013-153

FINANCIAL ADMINISTRATION ACT
CERTAIN ACCOUNTS RECEIVABLE
UNDER THE
REVENUE TAX ACT
AUTHORITY TO WRITE-OFF

Pursuant to subsection 26.1(1) of the *Financial Administration Act* R.S.P.E.I. 1988, Cap. F-9 Council authorized the write-off of certain accounts receivable under the *Revenue Tax Act* totalling \$119,046.39 (including interest to 31 March 2013) as follows:

SCHEDULE
(REVENUE TAX ACT, WRITE-OFFS)

ACCOUNT OF	AMOUNT WRITTEN-OFF
101309 P.E.I. Inc. sometimes carrying on business under the style name Ms. Daisy's Victoria Tea Room & B N B Summerside	\$35,633.85
Cigola, Alessandra Baltic	708.70
Cole, Judy sometimes carrying on business under the style name Cole's Family Restaurant Kensington	17,105.10
Connex See Service Inc. Markham, ON	2,891.81
Grant, Margaret sometimes carrying on business under the style name Pinkie's Souris	3,122.86
Hakour Enterprises Ltd. sometimes carrying on business under the style name Valufoods Store Summerside	16,212.57
Hayden, Frances North Wiltshire	8,774.20
Hicken, Jason sometimes carrying on business under the style name The Detail Shop Montague	1,049.76
Kitakawa, Akio sometimes carrying on business under the style name Zen Sushi Bar Kensington	12,943.93
MacLean, Bev and Vessey, Chris sometimes carrying on business under the style name Wenda-lin Family Trailer Rentals Kingston	2,690.02

Mills, Lynda sometimes carrying on business under the style name Drop in Café Souris	8,629.30
Mindsweep Inc. Dieppe, NB	5,006.68
O'Halloran, Barry sometimes carrying on business under the style name Barry's Marine Alberton	213.87
Prestige Telecom Inc. Baie D'Urfé, QC	796.41
Quesnel, Manuel sometimes carrying on business under the style name Whisk or Die Cakes Charlottetown	2, 377.26
Roudbandi, Abdolaziz sometimes carrying on business under the style name Rashad's Convenience and Lunch Counter Charlottetown	890.07
Total	<u>\$119,046.39</u>

EC2013-154

FINANCIAL ADMINISTRATION ACT
SPECIAL WARRANT
(SUPPLEMENTARY CAPITAL EXPENDITURE FOR
FISCAL YEAR 2011-2012)
DEPARTMENT OF EDUCATION AND
EARLY CHILDHOOD DEVELOPMENT

Pursuant to subsection 37(1) of the *Financial Administration Act* R.S.P.E.I. 1988, Cap. F-9, Council ordered that a Special Warrant do issue authorizing a supplementary payment out of the Operating Fund (Capital) for the Department of Education and Early Childhood Development as follows:

Account Class	Account Name	Amount
	SCHOOL CONSTRUCTION AND CAPITAL IMPROVEMENTS School Construction and Renovations	
1101-05003	Buildings – New	<u>\$1,201,500.00</u>

Further, Council noted that \$500,000.00 of this amount will be offset by Federal revenue.

EC2013-155

FINANCIAL ADMINISTRATION ACT
SPECIAL WARRANT
(SUPPLEMENTARY EXPENDITURE FOR FISCAL YEAR 2011-2012)
EMPLOYEE BENEFITS

Pursuant to subsection 37(1) of the *Financial Administration Act* R.S.P.E.I. 1988, Cap. F-9, Council ordered that a Special Warrant do issue authorizing a supplementary payment out of the Operating Fund for Employee Benefits as follows:

Account Class	Account Name	Amount
	EMPLOYEE BENEFITS	
	Employees' Future Benefits	
0146-03131	Retirement Pay	\$ 5,557,000.00
	Government Pension Contributions	
0147-03103	Civil Service Pension Plan	13,186,000.00
	Pension Management	
0650-03001	Consulting Fees	<u>116,000.00</u>
	Total	<u>\$18,859,000.00</u>

EC2013-156

FINANCIAL ADMINISTRATION ACT
SPECIAL WARRANT
(SUPPLEMENTARY EXPENDITURE FOR FISCAL YEAR 2011-2012)
DEPARTMENT OF TRANSPORTATION AND
INFRASTRUCTURE RENEWAL

Pursuant to subsection 37(1) of the *Financial Administration Act* R.S.P.E.I. 1988, Cap. F-9, Council ordered that a Special Warrant do issue authorizing supplementary payments out of the Operating Fund as follows:

Account Class	Account Name	Amount
	DEPARTMENT OF TRANSPORTATION AND INFRASTRUCTURE RENEWAL (Operating)	
	Corporate Services/Infrastructure	
0235-04146	Grants	\$3,492,000.00
	Capital Projects Division/Bridge Maintenance	
0297-03010	Professional and Contract Services	<u>380,000.00</u>
	Total	<u>\$3,872,000.00</u>

**DEPARTMENT OF TRANSPORTATION
AND INFRASTRUCTURE RENEWAL
(Capital)**

0359-05010	Capital Improvements – Highways/Bridges Bridges	\$1,822,000.00
1160-05003	Capital Improvements – Buildings/Analytical Lab New Building Construction	<u>3,760,000.00</u>
	Total	<u>\$5,582,000.00</u>

EC2013-157

**FINANCIAL ADMINISTRATION ACT
SPECIAL WARRANT
(SUPPLEMENTARY EXPENDITURE FOR FISCAL YEAR 2012-2013)
INTEREST CHARGES ON DEBT**

Pursuant to subsection 37(1) of the *Financial Administration Act* R.S.P.E.I. 1988, Cap. F-9, Council ordered that a Special Warrant do issue authorizing a supplementary payment out of the Operating Fund for Interest Charges on Debt as follows:

Account Class	Account Name	Amount
	Interest Charges on Debt Promissory Notes for Pension Funds	
0421-02799	Interest	<u>\$4,300,000.00</u>

EC2013-158

HEALTH SERVICES PAYMENT ACT

**REGULATIONS
AMENDMENT**

Pursuant to section 5 of the *Health Services Payment Act* R.S.P.E.I. 1988, Cap. H-2, Council made the following regulations:

1. The Introduction of the *Health Services Payment Act* Regulations (EC453/96) is revoked and the following substituted:

Pursuant to section 5 of the *Health Services Payment Act* R.S.P.E.I. 1988, Cap. H-2, Council made the following regulations:

2. Clause 1(s) of the regulations is amended by the deletion of the words “a member of the Royal Canadian Mounted Police.”.

3. Section 8 of the regulations is amended

(a) in subclause (2)(a)(v), by the deletion of the words “or the Royal Canadian Mounted Police”; and

(b) in subsection (3), by the deletion of the words “or the Royal Canadian Mounted Police”.

4. These regulations come into force on April 1, 2013

EXPLANATORY NOTES

SECTION 1 corrects a reference to the regulation-making authority in the Introduction to the regulations.

SECTION 2 amends clause 1(s) of the regulations to remove the reference to “members of the Royal Canadian Mounted Police”. Pursuant to a federal-provincial agreement, Royal Canadian Mounted Police members will now qualify for benefits as residents of the province.

SECTION 3 amends subsections 8(2) and (3) to be consistent with the amendment to clause 1(s) and the new benefits status of Royal Canadian Mounted Police officers.

SECTION 4 provides for the commencement of these regulations.

EC2013-159

PRINCE EDWARD ISLAND
LANDS PROTECTION ACT
PETITION TO ACQUIRE A LAND HOLDING
ISLAND COASTAL SERVICES LTD.
(APPROVAL)

Pursuant to section 5 of the *Prince Edward Island Lands Protection Act* R.S.P.E.I. 1988, Cap. L-5 Council granted permission to Island Coastal Services Ltd. of Charlottetown, Prince Edward Island to acquire a land holding of approximately zero decimal four three (0.43) acres of land in Lot 34, Queens County, Province of Prince Edward Island, being acquired from Lowell MacDonald of York, Prince Edward Island.

EC2013-160

PRINCE EDWARD ISLAND
LANDS PROTECTION ACT
PETITION TO ACQUIRE A LAND HOLDING
MACDONALD BROS. FARMS INC.
(APPROVAL)

Pursuant to section 5 and section 9 of the *Prince Edward Island Lands Protection Act* R.S.P.E.I. 1988, Cap. L-5 Council granted permission to MacDonald Bros. Farms Inc. of Crapaud, Prince Edward Island to acquire a land holding of approximately forty-six (46) acres of land in Lot 28, Prince County, Province of Prince Edward Island, being acquired from Susan MacKay of Albany, Prince Edward Island PROVIDED THAT the said real property is identified for non-development use pursuant to the Land Identification Regulations (EC606/95) made under the said Act.

EC2013-161

PRINCE EDWARD ISLAND
LANDS PROTECTION ACT
PETITION TO ACQUIRE A LAND HOLDING
TERBEEK FARMS, PARTNERSHIP
(APPROVAL)

Pursuant to section 5 and section 9 of the *Prince Edward Island Lands Protection Act* R.S.P.E.I. 1988, Cap. L-5 Council granted permission to TerBeek Farms, Partnership of North Winsloe, Prince Edward Island to acquire a land holding of approximately two hundred and three decimal five nine (203.59) acres of land in Lot 24, Queens County, Province of Prince Edward Island, being acquired from Rikkert TerBeek and Martina TerBeek, both of North Winsloe, Prince Edward Island PROVIDED THAT approximately two hundred and two decimal six five (202.65) acres, being the part of the property not being conveyed to the adjacent land owner, is SUBJECT TO the condition that the said real property not be subdivided. The condition preventing subdivision shall be binding on the said TerBeek Farms, Partnership and on all successors in title.

EC2013-162

PRINCE EDWARD ISLAND
LANDS PROTECTION ACT
PETITION TO ACQUIRE A LAND HOLDING
TERBEEK FARMS, PARTNERSHIP
(APPROVAL)

Pursuant to section 5 of the *Prince Edward Island Lands Protection Act* R.S.P.E.I. 1988, Cap. L-5 Council granted permission to TerBeek Farms, Partnership of North Winsloe, Prince Edward Island to acquire a land holding of approximately sixty-four decimal five nine (64.59) acres of land in Lot 24, Queens County, Province of Prince Edward Island, being acquired from Rikkert TerBeek and Martina TerBeek, both of North Winsloe, Prince Edward Island.

EC2013-163

PRINCE EDWARD ISLAND
LANDS PROTECTION ACT
APPLICATION TO LEASE LAND
MONAGHAN FARMS LTD.
(TO RESCIND)

Council, having under consideration Order-in-Council EC2006-188 of March 28, 2006, rescinded the said Order forthwith, thus rescinding permission for Monaghan Farms Ltd. of Norboro, Prince Edward Island to acquire, by lease, an interest in a land holding or land holdings of up to five hundred and fifty (550) acres of land as part of the said corporation's aggregate land holdings.

EC2013-164

PRINCE EDWARD ISLAND
LANDS PROTECTION ACT
APPLICATION TO LEASE LAND
MONAGHAN FARMS LTD.
(APPROVAL)

Pursuant to section 5 and clause 5.3(1)(b) of the *Prince Edward Island Lands Protection Act* R.S.P.E.I. 1988, Cap. L-5 Council granted permission to Monaghan Farms Ltd. of Norboro, Prince Edward Island to acquire, by lease, an interest in a land holding or land holdings of up to six hundred and fifty (650) acres of land as part of the said corporation's aggregate land holdings PROVIDED THAT the said Monaghan Farms Ltd. files a statement with the Island Regulatory and Appeals Commission within one year of the date of this Order and prior to 31 December in every subsequent year disclosing the parcel number, the acreage and the term of lease for each parcel leased during the reporting period covered by the statement.

EC2013-165

MARITIME PROVINCES HARNESS RACING COMMISSION ACT
MARITIME PROVINCES HARNESS RACING COMMISSION
NOMINATION

Pursuant to section 4 of the *Maritime Provinces Harness Racing Commission Act* R.S.P.E.I. 1988, Cap. M-13, Council nominated the following member for appointment:

NAME	TERM OF APPOINTMENT
Fred Paynter New London (reappointed)	31 March 2013 to 31 March 2016

EC2013-166

REGISTERED NURSES ACT
NURSE PRACTITIONER REGULATIONS
NURSE PRACTITIONER
DIAGNOSTIC AND THERAPEUTICS COMMITTEE
APPOINTMENTS

Pursuant to subsection 8(2) of the *Registered Nurses Act* Regulations (EC91/06), Council recommends the following persons be appointed as members of the Nurse Practitioner Diagnostic and Therapeutics Committee:

NAME	TERM OF APPOINTMENT
via clause 8(2)(e)	
Amy Cheverie Pharmacist (vice Wendy Cook, term expired)	December 2012 – December 2014

via clause 8(2) (f)

Gail MacNutt
Licensed member of the Association of
Registered Nurses of P.E.I.
(reappointed)

December 2012 – December 2014

EC2013-167

PUBLIC DEPARTMENTS ACT ACTING MINISTERS APPOINTMENTS

Under authority of subsection 4(2) of the *Public Departments Act*, R.S.P.E.I. 1988, Cap. P-29 the following appointments were made:

1. Honourable Wes Sheridan to be Acting Minister of Transportation and Infrastructure Renewal from March 13 through March 22, 2013 during the absence from the Province of Honourable Robert Vessey.
2. Honourable Robert Ghiz to be Acting Minister of Education and Early Childhood Development from March 16 through March 23, 2013 during the absence from the Province of Honourable Alan McIsaac.

EC2013-168

RETAIL SALES TAX ACT REGULATIONS

Pursuant to section 20 of the *Retail Sales Tax Act* R.S.P.E.I. 1988, Cap. R-13.03, Council made the following regulations:

Part 1 — Definitions

- | | |
|---|-----------------------------|
| 1. (1) In these regulations | Definitions |
| (a) “Act” means the <i>Retail Sales Tax Act</i> R.S.P.E.I 1988, Cap. R-13.03; | Act |
| (b) “commercial activity” has the same meaning as in Part IX of the federal Act; | commercial activity |
| (c) “commercial fisher” means a fisher who qualifies for a Marked Gasoline/Marked Diesel Oil permit issued under the <i>Gasoline Tax Act</i> R.S.P.E.I 1988, Cap. G-3; | commercial fisher |
| (d) “fire district” has the same meaning as in section 42 of the <i>Fire Prevention Act</i> R.S.P.E.I. 1988, Cap. F-11; | fire district |
| (e) “member of his or her family” in relation to a person means the spouse, common-law spouse, son, daughter, father, mother, grandfather, grandmother, brother, sister, grandson, granddaughter, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, sister-in-law, step-father, step-mother, step-son or step-daughter of that person; | member of his or her family |
| (f) “settler” means an individual who takes up residence in the province immediately after residing outside the province, | settler |
| (i) in the case of an individual who is an extrajurisdictional student, for a period of not less than three months, or | |
| (ii) in the case of an individual other than an extrajurisdictional student, for a period of not less than six consecutive months; | |
| (g) “settler’s effects” means any household goods and equipment, including motor vehicles and boats, a settler brings into the province | settler’s effects |

on, or within six months of, taking up residence in the province and that

- (i) are solely for the personal consumption or use of the settler in the province and not for any commercial purpose, and
- (ii) were owned, physically possessed and used by the settler for at least 30 days prior to the settler's taking up residence in the province.

- (2) For the purpose of subclause 1(r)(iii) of the Act Valuation, value
- (a) the following trade valuation books are prescribed:
 - (i) Canadian Red Book, and
 - (ii) Canadian Sport Vehicle Blue Book;
 - (b) "value" for the purpose of subparagraph 1(r)(iii)(B)(I) means the
 - (i) average wholesale value in the Canadian Red Book, and
 - (ii) average wholesale value in the Canadian Sport Vehicle Blue Book,
 as the case may be;
 - (c) the following persons are authorized to make a written appraisal of the value of a motor vehicle:
 - (i) a motor vehicle dealer who has a Class A or Class D license issued under the Dealer's Trade License Regulations, and
 - (ii) an appraiser authorized by the Commissioner;
 - (d) the following persons are authorized to make a written appraisal of the value of an all-terrain vehicle or snow vehicle:
 - (i) a sport vehicle dealer who has a Class E license issued under the Dealer's Trade License Regulations, and
 - (ii) an appraiser authorized by the Commissioner.

Part 2 — Point-of-Sale Rebates

2. In this Part: Definitions for this Part
- (a) "children's diaper" means a product that is designed for babies or children and that is children's diaper
 - (i) a diaper,
 - (ii) a diaper insert or liner,
 - (iii) a training pant, or
 - (iv) a rubber pant designed for use in conjunction with any of the items referred to in subclauses (i) to (iii);
 - (b) "composite property" means property that is wrapped, packaged or otherwise prepared for sale as a single product, the only components of which are a printed book and composite property
 - (i) a read-only medium that contains materially all or substantially all of the value of which is reasonably attributable to one or more of the following:
 - (A) a reproduction of the printed book, and
 - (B) material that makes specific reference to the printed book and its content and that supplements, and is integrated with, that content, or
 - (ii) if the product is specially designed for use by students enrolled in a qualifying course, a read-only medium or a right to access a website, or both of them, that contains material that is related to the subject matter of the printed book;
 - (c) "national standard" means a standard of the National Standards of Canada, as they read on January 1, 2010, in the subject area CAN/CGSB-49, *Garment Sizes*, published by the Canadian General Standards Board; national standard
 - (d) "printed book" has the same meaning as in subsection 259.1(1) of the federal Act; printed book
 - (e) "qualifying course" means a course the supply of the service of instructing in which, qualifying course
 - (i) is an exempt supply included in Part III of Schedule V to the federal Act, or
 - (ii) would be an exempt supply included in Part III of Schedule V to the federal Act but for the fact that the supplier of the service has made an election under that Part;

- (f) “read-only medium” means a tangible medium that is designed for the read-only storage of information and other material in digital format. read-only medium
- 3.** (1) For the purposes of subclause 5(1)(b)(i) of the Act, children’s clothing means garments (other than garments of a class that is used exclusively in sports or recreational activities, costumes, children’s diapers or footwear referred to in subsection (2)) that are Qualifying property
- (a) designed for babies, including baby bibs, bunting blankets and receiving blankets;
 - (b) children’s garments
 - (i) designed for girls and of a size not greater than the size that is girls’ size 16 according to the national standard applicable to the garments,
 - (ii) designed for boys and of a size not greater than the size that is boys’ size 20 according to the national standard applicable to the garments, or
 - (iii) if no national standard applies to the garments, designed for girls or boys and having a size designation of extra small, small, medium or large; or
 - (c) hosiery or stretchy socks, hats, ties, scarves, belts, suspenders, mittens and gloves in sizes and styles designed for children or babies.
- (2) For the purposes of subclause 5(1)(b)(ii) of the Act, children’s footwear means footwear (other than stockings, socks or similar footwear or footwear of a class that is used exclusively in sports or recreational activities) that is Footwear
- (a) designed for babies; or
 - (b) designed for girls or boys and has an insole length of 24.25 centimetres or less.
- (3) For the purposes of subclause 5(1)(b)(iii) of the Act, qualifying heating oil means fuel (other than heavy fuel oil or fuel sold as fuel for use in internal combustion engines) that is suitable for use as heating oil and is marketed or sold as fuel for use as heating oil for heating homes, buildings or similar structures. Heating oil
- (4) For the purposes of subclause 5(1)(b)(iv) of the Act, books means: Books
- (a) a printed book or an update of a printed book;
 - (b) an audio recording all or substantially all of which is a spoken reading of a printed book;
 - (c) a bound or unbound printed version of scripture of any religion;
 - (d) a composite property.

Part 3 — Rebates

- 4.** (1) Subject to subsection (2), the Minister may authorize a rebate to a fire district of an amount equal to 35 per cent of the tax paid under subsection 165(2) of the federal Act within four years of the date the tax was paid. Rebate
- (2) The rebate under subsection (1) shall be reduced to the extent that the fire district is eligible to receive a rebate of that tax under the provisions of any other federal or provincial Act. Reduction of rebate

Part 4 — Tax on Designated Property

Division 1 — Provisions Relating to Payment of Tax

- 5.** (1) The tax due under sections 11 and 12 of the Act, in relation to designated property that is not a vehicle, is payable on the earlier of the date that is 20 days after the last day of the month in which the designated property was purchased at a sale in Prince Edward Island, brought or sent into Prince Edward Island or delivered in Prince Edward Island. Time of payment of tax
- (2) The tax due under sections 11 and 12 of the Act, in relation to designated property that is a vehicle, is payable on the earlier of Idem
- (a) the time an application is made for the registration or licensing of the vehicle under the *Highway Traffic Act* R.S.P.E.I. 1988, Cap. H-5 or the *Off-Highway Vehicle Act* R.S.P.E.I. 1988, Cap. O-3; and

(b) the date that is 20 days after the last day of the month in which the vehicle was purchased at a sale in Prince Edward Island, brought or sent into Prince Edward Island or delivered in Prince Edward Island.

(3) The tax due under section 13 of the Act is payable at the time an application is made for the registration of the vehicle under the *Highway Traffic Act* or *Off-Highway Vehicle Act*. *Idem*, section 13

6. The report and tax due under subsections 14(2) and (4) of the Act are due and payable on the date that is 20 days after the last day of the month in which the designated property was used as described in clause 14(1)(b) or (3)(b) of the Act. Prescribed time — section 14 of the Act

Division 2 — Exemptions

7. A purchaser is exempt from paying tax under section 11 of the Act in relation to designated property that is not a vehicle if Designated property shipped out of province by seller

- (a) the designated property is purchased for use outside of Prince Edward Island;
- (b) after the designated property is purchased, no use is made of the designated property while it is in Prince Edward Island other than to store it and to send it out of Prince Edward Island;
- (c) the seller sends the designated property out of Prince Edward Island; and
- (d) the purchaser does not take possession of the designated property in Prince Edward Island.

8. A purchaser is exempt from paying tax under section 11 of the Act in relation to designated property that is a vehicle if Exemption for vehicles

- (a) the vehicle is purchased primarily for use outside Prince Edward Island;
- (b) the vehicle will not be registered or licensed under the *Highway Traffic Act* or the *Off-Highway Vehicle Act*; and
- (c) the vehicle is removed from the province within 30 days of purchase.

9. (1) Subject to subsection (3), a corporation is exempt from paying tax under section 11 of the Act on the purchase of designated property if Purchase by a corporation

- (a) the corporation purchased the designated property from a person (the “seller”) who wholly owns and controls the corporation;
- (b) the seller paid tax or was exempt from tax on the designated property under
 - (i) the Act,
 - (ii) the *Revenue Tax Act* R.S.P.E.I. 1988, Cap. R-14, or
 - (iii) subsection 165(2), section 212.1 or 218.1 or Division IV.1 of Part IX of the federal Act; and
- (c) the seller wholly owns and controls the corporation for a period of not less than six months after the date of the purchase referred to in clause (a).

(2) Subject to subsections (3) and (4), a corporation is exempt from paying tax under section 11 of the Act on the purchase of designated property if *Idem*

- (a) the corporation purchased the designated property from a person (the “seller”) who does not wholly own and control the corporation;
- (b) the seller paid tax or was exempt from tax on the designated property under
 - (i) the Act,
 - (ii) the *Revenue Tax Act*, or
 - (iii) subsection 165(2), section 212.1 or 218.1 or Division IV.1 of Part IX of the federal Act;
- (c) the consideration for the purchase of the designated property by the corporation is the concurrent issue or transfer of the corporation's own shares to the seller; and
- (d) the seller is the beneficial owner of the shares referred to in clause (c) for a period of not less than six months after the date the shares were issued or transferred to the seller.

(3) A corporation is not exempt under subsection (1) or (2) if the seller Limitation to exemption

- (a) was exempt from tax on the designated property under the Act or the *Revenue Tax Act* because the seller
- (i) purchased the designated property for resale, or
 - (ii) qualified for exemption by reason of the seller's use of the designated property and the corporation is not entitled to a similar exemption; or
- (b) was exempt from tax on the designated property under section 165(2), 212.1 or 218.1 or Division IV.1 of Part IX of the federal Act because the seller qualified for exemption by reason of the seller's use of the designated property and the corporation is not entitled to a similar exemption.
- (4) If the actual value of the shares issued or transferred in consideration for the purchase of the designated property is Quantum
- (a) at least equal to the fair market value of the designated property, all the purchase price is exempt from tax; or
 - (b) less than the fair market value of the designated property, the difference between the fair market value of the designated property and the actual value of the shares issued or transferred is subject to the tax.
- (5) For the purposes of this section, "wholly owns and controls a corporation" means that the beneficial ownership of not less than 95 per cent of the total issued and outstanding voting share capital of the corporation is in the hands of a person or of a person and members of his or her family. Definition, wholly owns and controls
- 10.** A commercial fisher is exempt from paying tax under sections 11 and 12 of the Act on designated property that is a boat if the boat is used in the commercial fishery and for no other purpose. Boat purchased by a commercial fisher
- 11.** A person is exempt from paying tax under section 12 or 13 of the Act in relation to designated property if Temporary use
- (a) the designated property is sent outside Prince Edward Island within 30 days after the entry date of the designated property to be used primarily outside Prince Edward Island; and
 - (b) the designated property is in Prince Edward Island for use in Prince Edward Island for less than 30 days in a calendar year.
- 12.** For the purpose of subclause 1(r)(iv) of the Act, a transfer of a vehicle is a transfer between a person and members of his family if Family transfer
- (a) the person who is the transferor
 - (i) has owned the vehicle for a minimum of twelve months prior to the date of transfer, or
 - (ii) has
 - (A) owned the vehicle for less than twelve months prior to the date of transfer, and
 - (B) paid the tax under
 - (I) Part IX of the federal Act,
 - (II) this Act, on the greater of the purchase price or the value that was set out in the Canadian Red Book or Canadian Sport Vehicle Blue Book, when the person acquired the vehicle, or
 - (III) the *Revenue Tax Act*, on the greater of the purchase price or the value that was set out in the Canadian Red Book or Canadian Sport Vehicle Blue Book, when the person acquired the vehicle;
 - (b) the transferor has made the transfer to a member of the transferor's family; and
 - (c) the purchase price paid by the transferee is less than the value that is set out in the Canadian Red Book or the Canadian Sport Vehicle Blue Book for the vehicle.
- 13.** (1) In this section, "spouse" means a person who Transfer due to dissolution of marriage or relationship
- (a) is married to another person; or
 - (b) lived with another person in a marriage-like relationship, including a marriage-like relationship between persons of the same gender, for a period of at least 2 years.
- (2) A person is exempt from paying tax under section 11, 12 or 13 of the Act in relation to designated property that the person acquired from a Exemption

spouse or a former spouse under a written separation agreement, a marriage contract referred to in the *Family Law Act* R.S.P.E.I. 1988, Cap. F-2.1, or an order of a court on the dissolution of a marriage or marriage-like relationship.

14. A person is exempt from paying tax under section 11, 12 or 13 of the Act if the designated property is received as part of the distribution of a deceased's estate. Inheritance

15. A settler who brings or sends into Prince Edward Island, or receives delivery in Prince Edward Island of, settler's effects that are designated property is exempt from paying tax under section 12 or 13 of the Act. Settler's effects

16. (1) A person is exempt from paying tax under section 12 or 13 of the Act in relation to designated property if Tax paid under the Act

- (a) tax under the Act has been paid previously by that person on that designated property; and
- (b) the person is not eligible for a refund in respect of the tax paid previously under the Act on that designated property.

(2) A person is exempt from paying tax under section 12 or 13 of the Act in relation to designated property if Tax paid under the Revenue Tax Act

- (a) tax under the *Revenue Tax Act* has been paid previously by that person on that designated property; and
- (b) the person is not eligible for a refund in respect of the tax paid previously under the *Revenue Tax Act* on that designated property.

Division 3 — Refunds

17. The Minister may refund to an applicant the tax paid under section 11 of the Act on designated property if the Minister is satisfied that, within 30 days after the date of the sale of the designated property to the applicant, Designated property returned to seller

- (a) ownership of the designated property was transferred to the previous owner;
- (b) the designated property was returned to the previous owner; and
- (c) the purchase price for the designated property was refunded to the applicant.

18. The Minister may refund to an applicant the tax paid under section 11 of the Act on designated property if the Minister is satisfied that Designated property sent out of PEI within 30 days of purchase

- (a) the designated property was subsequently sent out of Prince Edward Island within 30 days of the date of purchase to be used primarily outside Prince Edward Island; and
- (b) the applicant paid tax on the designated property under Division IV.1 of Part IX of the federal Act or under the law of another jurisdiction that imposes a sales tax.

19. The Minister may refund to an applicant the tax paid under section 11 of the Act on designated property that is a boat if the Minister is satisfied that Boat purchased by a commercial fisher

- (a) the purchaser is a commercial fisher; and
- (b) the boat is used in the commercial fishery and for no other purpose.

20. (1) The Minister may refund to an applicant a portion of the tax paid under the Act on the purchase designated property that is a motor vehicle equipped for use by an individual with a disability. Modifications to a motor vehicle

(2) The refundable portion of the tax is the tax related to the cost to modify the motor vehicle for the purpose of Refundable portion of tax

- (a) facilitating the placement or transportation of a wheelchair without the need to collapse the wheelchair; or
- (b) equipping the motor vehicle with auxiliary driving controls to facilitate the operation of the motor vehicle by an individual with a disability.

21. For the purposes of sections 17 to 20, a person may apply for a refund of tax or a portion of the tax paid under the Act in accordance with section 19 of the *Revenue Administration Act*. Application for refund

Division 4 — Records

- 22.** (1) Subsection (2) applies to a person who
- (a) is required to pay tax under the Act in respect of designated property; or
- (b) is exempt from paying tax under the Act in respect of designated property, other than by reason of an exemption under section 17 of the Act or section 13 of this regulation.
- (2) A person to whom this subsection applies must keep, in accordance with subsection (3), all records relating to the purchase, bringing or sending into Prince Edward Island or the delivery in Prince Edward Island of the designated property.
- (3) The records required to be kept under subsection (2) must be kept by the person at the principal premises in Prince Edward Island where the records of the person are kept.
- 23.** (1) A person who is required to keep records under section 22 must retain those records in Prince Edward Island for a period of 5 years from the dates the records are created.
- (2) If a person who is required to retain records under subsection (1) makes a written application to the Commissioner for permission to destroy a record, the Commissioner may authorize the requested destruction prior to the expiry of the period described in subsection (1).
- (3) Despite any other provision of this section, if a record might be necessary for the purposes of an objection under section 9 or an appeal under section 10 of the *Revenue Administration Act*, the person required to keep the records must retain the record after the expiry of the period described in subsection (1) and until the appeals have been exhausted.
- 24.** These regulations come into force on April 1, 2013.

Records respecting designated property

Requirement to keep records

Location

Retention of records

Authorization for early destruction

Retention of records for longer period

Commencement

EXPLANATORY NOTES

SECTION 1 provides definitions for certain words and terms used in the regulations.

SECTION 2 provides definitions for certain words and terms used in Part 2 – Point-of-Sale Rebates.

SECTION 3 sets out the goods that are eligible for a point-of-sale rebate of the provincial component of the harmonized sales tax.

SECTION 4 provides authority for the Minister to rebate to fire districts an amount equal to 35% of the provincial component of the harmonized sales tax paid on goods and services they purchase.

SECTION 5 sets the time when tax due under sections 11, 12 and 13 of the Act are due and payable.

SECTION 6 sets the time when tax due under section 14 of the Act is due and payable.

SECTION 7 provides an exemption from the tax due under section 11 of the Act where the goods, other than a vehicle, are purchased for delivery out of the province.

SECTION 8 provides an exemption from the tax due under section 11 of the Act where a vehicle is purchased and removed from the province within 30 days of purchase.

SECTION 9 provides an exemption from the tax due under sections 11 of the Act where the goods are purchased by a corporation from a person who wholly owns the corporation or from a person who accepts shares in the corporation as consideration for the sale.

SECTION 10 provides an exemption from the tax due under sections 11 or 12 of the Act where the good is a boat purchased by a commercial fisher.

SECTION 11 provides an exemption from the tax due under sections 12 or 13 on goods that are brought into the province solely for the purpose of being shipped out of the province within 30 days of being brought in.

SECTION 12 provides a definition of the term “family transfer” used in subclause 1(r)(iv) of the Act.

SECTION 13 defines the term “spouse” and provides an exemption from the tax under the Act where designated property is transferred as the result of a marriage breakdown.

SECTION 14 provides an exemption from the tax due under the Act where the goods are received as part of an inheritance.

SECTION 15 provides an exemption from the tax due under the Act where the goods that are a settler’s effects.

SECTION 16 provides an exemption where tax was previously paid under the Act or the *Revenue Tax Act*.

SECTION 17 provides authority for the Minister to rebate tax paid under the Act where the goods are returned within 30 days and a full refund is received.

SECTION 18 provides authority for the Minister to rebate tax paid under the Act where the goods are shipped out of the province within 30 days of purchase and tax was paid in another jurisdiction.

SECTION 19 provides authority for the Minister to rebate tax paid under the Act on a boat purchased by a commercial fisher.

SECTION 20 provides authority for the Minister to rebate tax paid under the Act where the tax relates to modifications of a vehicle to allow for its use by a person with a disability.

SECTION 21 sets the application process for a rebate under sections 17 to 20.

SECTION 22 sets out the requirements for retaining records related to tax due under the Act.

SECTION 23 sets the length of time that records must be retained and allows the Commissioner to waive the time requirement.

SECTION 24 provides for the commencement of these regulations.

EC2013-169

REVENUE TAX ACT REGULATIONS AMENDMENT

Pursuant to subsections 57(1) and (2) of the *Revenue Tax Act* R.S.P.E.I. 1988, Cap. R-14, Council made the following regulations:

1. Section 10 of the *Revenue Tax Act* Regulations (EC262/60) is amended

(a) by the addition of the following after subsection (3):

(3.1) Subsection (3) does not apply to a non-resident contractor Application entering into a contract after March 31, 2013.

(b) by the addition of the following after subsection (4):

(4.1) Subsection (4) does not apply to a person entering into a contract with a non-resident contractor after March 31, 2013. Application

2. The regulations are amended by the addition of the following after section 10:

10.1 (1) This section applies in the circumstances described in sections 59 to 63 of the Act with respect to the goods and services referred to in those sections. Application

(2) If the goods are delivered to the person who makes progress payments under the contract and is acquired by that person as purchaser, the following rules govern the manner in which tax imposed under subsection 4(1) of the Act applies with respect to the goods: Goods delivered before April 1, 2013

(a) if the goods are delivered to the purchaser before April 1, 2013, under the contract, tax is payable by the purchaser under subsection 4(1) of the Act for those goods;

(b) if ownership of the goods is transferred to the purchaser before April 1, 2013, under the contract, tax is payable by the purchaser under subsection 4(1) of the Act for those goods;

(c) no tax is payable by the purchaser under subsection 4(1) of the Act for any other goods delivered or transferred to the purchaser under the contract.

(3) If the service is provided to the person who makes progress payments under the contract and is acquired by that person as purchaser, the following rules govern the manner in which tax imposed under subsection 4(1) of the Act applies with respect to the service: Service provided before April 1, 2013

(a) if any part of a taxable service is provided to the purchaser before April 1, 2013, under the contract, tax is payable by the purchaser under subsection 4(1) of the Act for that part of the service;

(b) no tax is payable by the purchaser under subsection 4(1) of the Act for any other part of the service provided to the purchaser under the contract.

(4) In any other circumstance, the tax imposed under subsection 4(1) of the Act applies as provided under sections 59 to 63 of the Act. Application of Act

3. Section 12 of the regulations is amended

(a) by the addition of the following after subsection (1):

(1.1) For the purposes of calculating the amount of the rebate under clause (1)(d), the total contract price referred to in that clause is the amount of the total contract price, as otherwise determined for the purposes of that clause, that is attributable to work performed under the contract before April 1, 2013. Total contract price

(b) by the addition of the following after subsection (11):

(11.1) For the purposes of calculating the amount of the rebate under subsection (11), the contract price referred to in that subsection is the amount of the contract price, as otherwise determined for the purposes of that subsection, that is attributable to work performed under the contract before April 1, 2013. Contract price

4. The regulations are amended by the addition of the following after section 12:

12.1 (1) This section applies if a person described in subclause 1(g)(ii) of the definition of “specified purchaser” in the Act, Application

(a) pays tax under subsection 4(1) of the Act in respect of tangible personal property, a taxable service or an admission; and

(b) is also liable for tax under subsection 165(2) of the *Excise Tax Act* (Canada) in respect of the tangible personal property, taxable service or admission.

(2) The Minister may provide a rebate to the person referred to in subsection (1) equal to the tax paid under subsection 4(1) of the Act for the tangible personal property or any part of the taxable service or admission, to the extent that the person is also liable for tax under Rebate

subsection 165(2) of the *Excise Tax Act* (Canada) in respect of the tangible personal property or that part of the taxable service or admission.

(3) An application for a rebate under subsection (2) must be made in writing to the Minister and must be accompanied by proof satisfactory to the Minister that the person has paid the tax under subsection 4(1) of the Act and under subsection 165(2) of the *Excise Tax Act* (Canada). Application for rebate

(4) No rebate may be provided under subsection (2) to a person to the extent that the person or another person otherwise receives or is eligible to receive, directly or indirectly, a payment, credit, refund, rebate, adjustment or other relief in respect of the tax to which the rebate under subsection (2) would relate. Rebate prohibited

5. Section 16 of the regulations is amended

(a) in subsection (1), by the deletion of the word “taxation” and the substitution of the word “tax”; and

(b) by the addition of the following after subsection (3):

(3.1) For the purposes of calculating the amount of the rebate under subsection (3), the contract price referred to in that subsection is the amount of the contract price, as otherwise determined for the purposes of that subsection, that is attributable to work performed under the contract before April 1, 2013. Contract price

6. These regulations come into force on April 1, 2013.

EXPLANATORY NOTES

SECTION 1 removes the requirement, on contracts entered into after March 31, 2013, for non-resident contractors to pay to the Minister 5% of the contract amount or provide a guarantee bond to the Minister in that amount when entering into a contract to perform work on Prince Edward Island. The section also removes the requirement, on contracts entered into after March 31, 2013, for persons contracting with non-resident contractors to withhold 5% of the contract amount and remit this amount to the Minister. Both of these provisions were enacted to provide a guarantee that revenue tax would be paid on the materials consumed in the contract.

SECTION 2 prescribes the manner in which the tax is applied to goods and services delivered or provided under a real property contract in accordance with section 65 of the Act.

SECTION 3(a) allows the Minister to rebate to charities only four per cent of the contract price that applies to work done prior to April 1, 2013, for those real property contracts that straddle the HST implementation date of April 1, 2013. This ensures that only the goods incorporated into the contracts for which the contractor paid PST will be rebated and goods for which the contractor paid HST will not be rebated.

SECTION 3(b) applies to clause 12(11) of the regulations that allows the Minister to rebate four per cent of the contract price for tax paid by contractors on goods incorporated into a wood-chip burning system. This amendment ensures that only that portion of the contract that applies to work done prior to the implementation of HST on April 1, 2013, and thus has PST paid on the goods incorporated into that contract, will be rebated. It prevents a rebate for the portion of the contract on which PST was not paid on any goods incorporated into the contract.

SECTION 4 allows the Minister to rebate any tax paid under subsection 4(1) of the Act if certain situations where the purchaser is required to pay the provincial component of the HST under subsection 165(2) of the federal *Excise Tax Act* before April 1, 2013.

SECTION 5 is a housekeeping measure to replace the word “taxation” with the word “tax” in order to clarify that the exemption only applies to the tax levied under the Act. Also, the section applies to clause 16 of the

regulations that allows the Minister to rebate to a municipality four per cent of the contract price for tax paid by contractors on goods incorporated into a sewerage, drainage or water system contract. This amendment ensures that only that portion of the contract that applies to work done prior to the implementation of HST on April 1, 2013, and thus has PST paid on the goods incorporated into that contract, will be rebated.

SECTION 6 provides for the commencement of these regulations.

EC2013-170

ENERGY CORPORATION ACT PRINCE EDWARD ISLAND ENERGY CORPORATION AUTHORITY TO BORROW

Pursuant to subsection 8(2) of the *Energy Corporation Act* R.S.P.E.I. 1988, Cap. E-7, Council authorized the Prince Edward Island Energy Corporation to borrow up to sixty million dollars (\$60 million) from the Toronto Dominion Bank to finance construction of a 30 MW wind development project at Hermanville, Prince Edward Island, on terms and conditions favourable to the Minister of Finance, Energy and Municipal Affairs.

Further, effective July 31, 2013, Order-in-Council EC2012-511 dated August 21, 2012 is rescinded.

EC2013-171

ENERGY CORPORATION ACT PRINCE EDWARD ISLAND ENERGY CORPORATION AUTHORITY TO BORROW

Council, noting borrowing authority issued via Order-in-Council EC2013-150 dated March 12, 2013 related to refurbishment of Point LePreau Nuclear Generating Station, and having under consideration the recommendation of Treasury Board (reference TB480/12 of March 6, 2013), hereby amends Order-in-Council EC2011-131 dated March 29, 2011 by deleting the words “up to two million, three hundred and fifty-five thousand dollars (\$2,355,000.00) per month” and substitution the words “up to twenty million, four hundred and ninety thousand dollars (\$20,490,000.00) to cover costs”.

This Order-in-Council comes into force on March 25, 2013.